

**Live, Work, Invest.....
Battle Creek, Michigan**



Battle Creek Unlimited
facilitates regional wealth creation
through human, economic, and
community development, by stimulating
a diverse civic culture, fostering new
ideas, organizational models and
healthy lifestyles.



Battle Creek Unlimited

- ☛ Private, nonprofit, 501 (c)3: one of the first in the nation, 1972
- ☛ Economic development organization for the City of Battle Creek
- ☛ Economic development consulting services to Cities of Marshall and Springfield
- ☛ Urban regeneration strategy



Battle Creek Unlimited

- ☛ Business retention and expansion
- ☛ Business attraction - domestic and international
- ☛ Market and manage 3,000 acre Fort Custer Industrial Park - 100 employers, 10,000 employees
- ☛ Market 1,200 acre W.K. Kellogg Airport – WMU COA, Duncan Aviation, ANG, eight employers, 1,145 employees



Battle Creek Unlimited

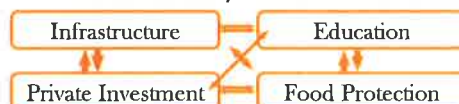
- 🔥 Downtown Battle Creek: business retention and attraction, events, redevelopment - 300 employers, 6,000 employees
- 🔥 FTZ 43 & US Customs Inland Port of Entry for SW Michigan area
- 🔥 Technology business acceleration
- 🔥 BCU Direct Investment Fund
- 🔥 Administer BCTIFA, BCBRA



Downtown Transformation Initiative

The Four Pillars:

- 🔥 **Food Protection:** Position Battle Creek as a global leader in food protection resource development and innovation. Grow critical mass of talent, companies and resources.
- 🔥 **Kellogg Presence/Other Private Investment:** Support and enhance Kellogg presence, attract other new private development investment.
- 🔥 **Education:** Expand Math/Science program in downtown. Integrate & increase utilization of downtown education institutions. Create career paths into technology clusters and professions.
- 🔥 **Infrastructure/Amenities:** Downtown appearance, walkability, amenities, gateway, retail, services, entertainment, residential development and outdoor festival/events areas.



Downtown Transformation Initiative

Major Public & Private Investments:

- ✓ W.K. Kellogg Institute: **\$54 million**, 2009
- ✓ Covance Laboratories: **\$15 million**, 2010
- ✓ Kellogg Company HQ Campus, K2 Building, and Battle Creek Tower: **\$7 million** (Hillman Company), 2011-12
- ✓ McCamly Plaza Hotel, Grand Heritage: **\$6.5 million**, 2009 -12
- ✓ Battle Creek Area Math & Science Center: **\$14 million**, 2011-13
- ✓ Streetscape Enhancements, New Open Spaces: **\$8 million**
- ✓ Global Food Protection Institute (GFPI)



Downtown Transformation Initiative

1000+ additional jobs downtown

- 810 relocated
- 200 new
- \$63 million payroll

480,000 sf of building consumption

- 315,000 sf redeveloped
- 165,000 sf new

\$88 MM in private investment

\$32 MM in public - philanthropic investments

Results to date

23 new businesses, 21 relocations and/or expansions

Downtown Transformation Initiative

Future Developments:

BCU Owned Buildings:

- Three buildings are under option with various developers/end users
- Mixed use, office and retail developments
- One building associated with Heritage Tower proposed development

269 Lofts at the Heritage: 19 story historic building, part of downtown's skyline

- \$23 million mixed use renovation plan
- Completion date: Spring 2015
- Catalyst project



Citywide Private Investment 2012

- | | |
|---|--|
| • Advanced Special Tools – \$1.5 million, 5 jobs | • II Stanley – \$14.8 million, 300 jobs |
| • Behnke Logistics, LLC – \$1 million, 18 jobs | • Janesville Acoustics – \$14.1 million, 256 jobs |
| • Borgess Health Park – \$26.9 million, 90 jobs | • Lakeview Ford – \$400,000 |
| • EPI, Inc. – \$1.5 million, 10 jobs | • Musashi Auto Parts – \$20.1 million, 80 jobs |
| • Hi-Lex America, Inc. – \$4 million, 40 jobs | • Nexthermal – \$700,000 |
| • Geislinger Corporation – \$2.8 million, 5 jobs | • PCPC, Inc. – \$6 million |
| | • Plymouth Packaging – \$600,000, 5 jobs |
| | • Prairie Farms – \$5.5 million, 10 jobs |

B.C. Ranks Nationally Among Best in Development

---Battle Creek Enquirer, March 2013

- 2012 Governor's Cup – *Site Selection Magazine*
- Battle Creek ranked 2nd nationally – metro areas under 200,000 population
- 13 qualified projects, 819 jobs, \$99.9 million private investments

Citywide Private Investment

2013

- ✦ Bleistahl North America - **\$4.5 million,**
65 jobs
- ✦ Cosma Castings MI, Inc. - **\$162 million,**
572 jobs
- ✦ Denso Manufacturing MI - **\$105 million,**
266 jobs
- ✦ (Announced) 269 Lofts at Heritage Tower -
\$21 million, 110 jobs
- ✦ Post Foods – **\$30 million,**
106 jobs
- ✦ TRMI, Inc. - **\$24.8 million,**
179 jobs

2013 Totals:

Private Investments: **\$347.3 million; New Jobs: 1,298**

2012-13 Impact

- ✦ **\$447,200,000 Private Investments**
- ✦ **2,117 jobs**

Tax Increment Financing Great Tool, Great ROI

Battle Creek Tax Increment Finance Authority (BCTIFA):

- ✦ Established 1982. Fort Custer Industrial Park and WK Kellogg Airport area
- ✦ Expanding or attraction projects/companies need public infrastructure development/replacement, site improvements, economic development services
- ✦ FY 2013-14 Revenue: \$5.4 million local & state capture
- ✦ TIF investments impact 108 companies, 11,338 employees, est. \$350 million payroll
- ✦ Michigan Personal Income Tax: est. \$15 million annually

Tax Increment Financing Great Tool, Great ROI

Battle Creek Downtown Development Authority (BCDDA):

- 📊 FY 2013-14 Revenue: \$5.2 million local & state capture
- 📊 TIF investments impact 300 companies, 6,000 employees, est. \$300 million payroll
- 📊 Michigan Personal Income Tax: est. \$12.7 million annually

Impact of PPT Elimination

- 📊 Great economic development opportunity..... If “fixed”
- 📊 BCTIFA projected PPT loss: \$3.4 million (62% of BCTIFA revenue)
- 📊 Remaining TIF revenues cover debt service and ~ \$550,000 for projects/services
- 📊 BCDDA projected PPT loss: \$2.6 million (50% of BCDDA revenue)
- 📊 Remaining TIF revenues cover debt service, \$0 for projects/services
- 📊 Legislative fix is needed for TIF reimbursement, not just debt service
- 📊 Eventual erosion of economic base and city and state revenues – property, personal income, and corporate taxes

Tax Increment Financing..... Prosperity for Battle Creek and Michigan

BCTIFA and BCDDA Activity in 2012 - 2013:

- 🏗️ 20 major new projects
- 🏗️ \$447.2 million in private investment, 2,117 new jobs, ~ \$88 million new payroll
- 🏗️ New MI Personal Income Tax: \$3.7 million per year, every year
- 🏗️ TBD. new MI school property taxes, corporate income tax, other revenue
- 🏗️ Retention of ~ \$28 million/annually in MI Personal Income Tax

Karl Dehn, President & CEO Battle Creek Unlimited

BCUnlimited.org
DowntownBattleCreek.com

dehn@bcunlimited.org



[Battle Creek Unlimited](#)
[Downtown Battle Creek](#)



[DowntownBTLCRK](#)
[BCUnlimited](#)